

U.S. DEPARTMENT OF AGRICULTURE
Commodity Credit Corporation
Natural Resources Conservation Service
Colorado State Office

**Conservation Innovation Grants – Colorado State Component
(Available Only in Colorado)**

**Fiscal Year 2009 Announcement of Program Funding
Catalog of Federal Domestic Assistance (CFDA) Number: 10.912**

EXECUTIVE SUMMARY: NRCS requests applications for Conservation Innovation Grants (CIG) to stimulate the development and adoption of innovative conservation approaches and technologies. For FY 2009, up to \$1,000,000 is available for the Colorado State CIG competition. Grants under the Colorado state component will not exceed \$75,000 from NRCS. Funds will be awarded through a statewide competitive grants process. Applications are requested from eligible government or non-government organizations or individuals for competitive consideration of grant awards for projects between one and three years in duration. This notice identifies the objectives for CIG projects, the eligibility criteria for projects, and associated instructions needed to apply to CIG.

APPLICATION DUE DATE AND ADDRESSES: Applications must be received in the Colorado NRCS State Office by 4:30 p.m., Mountain Standard Time (MST) on May 18, 2009. The address for the U.S. Postal Service, hand-delivered applications, or applications submitted using express mail or overnight courier service is: Dollie Gonzales, Resource Conservationist; Natural Resources Conservation Service; 655 Parfet Street, Room E200C; Lakewood, CO 80215-5517.

FOR FURTHER INFORMATION CONTACT: Tim Carney, Assistant State Conservationist - Programs, NRCS, 655 Parfet Street, Room E200C, Lakewood, CO 80215-5517. Phone (720) 544-2805; facsimile: (720)544-2978; email: tim.carney@co.usda.gov; or consult the Colorado NRCS Web site at <http://www.co.nrsc.usda.gov>.

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I. FUNDING OPPORTUNITY DESCRIPTION

A. Legislative Authority

CIG was authorized as part of the Environmental Quality Incentives Program (EQIP) [16 U.S.C. 3839aa-8] under Section 1240H of the Food Security Act of 1985, as added by Section 2509 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246). The Secretary of Agriculture delegated the authority for the administration of EQIP and CIG to the Chief of the Natural Resources Conservation Service (NRCS), who is Vice President of the Commodity Credit Corporation (CCC). EQIP is funded and administered by NRCS under the authorities of the CCC.

B. Overview

The purpose of CIG is to stimulate the development and adoption of innovative conservation approaches and technologies while leveraging Federal investment in environmental enhancement and protection, in conjunction with agricultural production. CIG projects are expected to lead to the transfer of conservation technologies, management systems, and innovative approaches (such as market-based systems) into NRCS technical manuals or guides, or to the private sector. CIG does not fund research projects. It is a vehicle to stimulate the development and adoption of conservation approaches or technologies that have been studied sufficiently to indicate a high likelihood of success and to be candidates for eventual technology transfer. CIG funds projects targeting innovative on-the-ground conservation, including pilot projects and field demonstrations.

NRCS in Colorado will accept applications for single or multi-year projects, not to exceed three years, submitted from eligible entities, including Federally-recognized Indian Tribes, State and local governments, and non-governmental organizations and individuals. Applications will only be considered for projects within Colorado. Complete applications will be evaluated by a technical peer review panel and scored based on the Criteria for Application Evaluation identified in this document.

C. Innovative Conservation Projects or Activities

For the purposes of CIG, the proposed innovative project or activity must encompass the development and field testing, evaluation, and implementation of:

- Conservation adoption incentive systems, including market-based systems; or,
- Promising conservation technologies, practices, systems, procedures, or approaches

To be given priority consideration, the innovative project or activity:

- Has been studied sufficiently to indicate a good probability for success;
- Demonstrates, tests, evaluates, or verifies environmental (soil, water, air, plants, and animal) effectiveness, utility, affordability, and usability in the field;
- Adapts conservation technologies, practices, systems, procedures, approaches, and incentive systems to improve performance and encourage adoption;

- Introduces conservation systems, approaches, and procedures from another geographic area or agricultural sector.
- Adapts conservation technology, management, or incentive systems to improve performance.

Natural Resource Concerns

Applications must demonstrate the use of innovative technologies or approaches, or both; to address a natural resource concern or concerns. Seven natural resource concerns have been identified for possible funding through the FY2009 Colorado Conservation Innovation Grants State competition. Applications that benefit multiple resource concerns will receive priority for funding. These categories also, include applications that focus on Market Based Approaches. The objective of this approach is to develop, implement, and/or evaluate processes, technology tools, institutional arrangements, or systems that are “market-base” in nature and address one of the priority resource concerns below:

a. Water Resources

The objective of this conservation resource concern is to implement new technologies and/or approaches to maintain, restore, or enhance water quality and/or quantity in watersheds with significant agricultural land uses while sustaining productivity.

Subtopics include:

- Nutrient, pesticide, and pathogen transport to surface water and groundwater;
- Sediment transport to surface water;
- Irrigation management for water conservation;
- Aquifer recharge/maintenance of groundwater supplies;
- Alternate water conservation cropping systems and/or crops for economic or environmental stability; and,
- Salinity or selenium reduction.

b. Soil Resources

The objective of this conservation concern is to implement new technologies and/or approaches to maintain, restore, or enhance soil resources associated with agricultural and forest land uses while sustaining productivity. Subtopics include:

- Erosion reduction in low residue specialty crops (potatoes, vegetables, etc.), cropping systems;
- Accumulation of harmful levels of constituents in soils, including nutrients, metals, and salts; and,
- Cropping systems to improve soil health and sequester carbon.

c. Atmospheric Resources

The objective of this conservation concern is to implement new technologies and/or approaches to maintain, restore, or enhance air quality and atmospheric resources through agricultural and forest practices while sustaining productivity. Subtopics include:

- Manage agricultural primary and precursor emissions of particulates, odors, volatile organic compounds, and greenhouse gases to limit on-site and/or off-site effects from emission;
- Demonstrate innovative approaches to decrease atmospheric concentrations of greenhouse gases by increasing carbon sequestration (e.g.: increasing soil carbon) and/or by reducing greenhouse gas emissions from agriculture operations; and,
- Identify management practices for air quality and atmospheric change concerns at animal operations and quantify the effect of the practices on all applicable resource concerns.

d. Grazing Land

The objective of this conservation concern is to implement new technologies and/or approaches to maintain, restore, or enhance grazing land while sustaining productivity. Subtopics include:

- New and innovative approaches and methods to reduce the effects of pests and, diseases, on grazing land quality, health and productivity;

e. Forest Health

The objective of this conservation concern is to implement new technologies and/or approaches to maintain, restore, or enhance forest health while sustaining productivity. Subtopics include:

- Reduce the effects of pest, diseases on forest health and productivity; and
- Improving water and air quality while maintaining forest health and productivity.

f. Energy Conservation and Renewable Energy Sources

The objective of this conservation concern is to demonstrate new energy-related technologies and approaches, and alternate energy sources to reduce energy consumption in agricultural systems. Subtopics include:

- Renewable energy sources such as wind, solar or bio-based fuels; micro hydro power;
- Energy audit of activities related to natural resource concerns (soil, water, air, plants and animals) on agriculture lands.
- Improving the energy efficiency of land-based agriculture production through conservation practices and activities.

g. Wildlife Habitat

The objective of this conservation concern is to implement new technologies and/or approaches for the development of wildlife habitat for at-risk species on agricultural working lands while maintaining agricultural productivity. Subtopics include:

- Incentive systems that promote the conservation of species at-risk and agricultural production equally;
- Pollinator protection, and;
- Riparian area management and restoration.

II. FUNDING AVAILABILITY

Effective on the publication date of this notice, the CCC announces the availability of up to \$1,000,000 for CIG in Colorado. Funds will be awarded through a statewide competitive grants process. Individual projects funded through CIG in fiscal year 2009 may not receive more than \$75,000 from NRCS. CIG will fund single and multi-year projects, not to exceed three years. The available funding is anticipated to fund approximately 13 awards. Awards will be made using grant agreements with the Colorado NRCS State Office.

The anticipated start date for awarded projects is September 30, 2009.

III. ELIGIBILITY INFORMATION

CIG applicants must be a Federally-recognized Indian Tribe; State or local unit of government; non-governmental organization; private business; or individual.

A. Matching Funds

Selected applicants may receive grants of up to 50 percent of the total project cost, not to exceed \$75,000. Applicants must provide non-Federal funding (matching funds) for at least 50 percent of the project cost. Up to half of the applicant's matching funds (up to 25 percent of the total project cost) may be from in-kind contributions. The remainder must be cash (SF 424A must be completed).

B. Beginning Farmers or Ranchers, Socially Disadvantaged Farmers or Ranchers

For the FY2009 grant award process, up to 10 percent of the total funds available for CIG may be set-aside for applications from Beginning Farmers or Ranchers, Socially Disadvantaged Farmers or Ranchers, or community-based organizations comprised of or representing these entities. To compete for these set-aside funds, the applicant must make a declaration in the application as described in Part IV B.7 of this notice. Applications that are unsuccessful in the set-aside competition will be placed automatically in the general application pool for consideration. Funds not used in the set-aside pool will revert back into the general funding pool.

Beginning Farmer or Rancher – a person or legal entity who:

- Has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years. This requirement applies to all members of an entity who will materially and substantially participate in the operation or the farm or ranch.
- In the case of a contract with an individual, individually, or with the immediate family, material and substantial participation requires that the individual provide substantial day-to-day labor and management of the farm or ranch consistent with the practices in the county or State where the farm is located.

- In the case of a contract with an entity or joint operation, all members must materially and substantially participate in the operation of the farm or ranch. Material and substantial participation requires that each of the members provide some amount of the management or labor and management necessary for day-to-day activities, such that if each of the members did not provide these inputs, operation of the farm or ranch would be seriously impaired.

Socially Disadvantaged Farmers or Ranchers – a farmer or rancher who has been subjected to racial or ethnic prejudices because of their identity as a member of a group without regards to their individual qualities.

In addition, an exception regarding matching funds is made for projects funded out of the set-aside. Up to three-fourths of the required matching funds for such projects (up to 37.5 percent of the total project cost) may derive from in-kind contributions. This exception is intended to help Beginning Farmers or Ranchers and Socially Disadvantaged Farmers or Ranchers meet the statutory requirements for receiving a CIG.

C. EQIP Payment Limitation

Section 1240G of the Food Security Act of 1985, 16 U.S.C. 3839aa-7, imposes a \$300,000 limitation for all cost-share or incentive payments disbursed to individuals or entities under an EQIP contract between 2008 and 2012. The limitation applies to CIG in the following manner:

- CIG funds are awarded through grant agreements; these grant agreements are not EQIP contracts. Thus, CIG awards are not limited by the payment limitation.
- Direct or indirect payments made to an individual or entity using funds from a CIG award to carry out structural, vegetative, or management practices count toward each individual's or entity's EQIP payment limitation. Through project progress reports, CIG grantees are responsible for certifying that producers involved in CIG projects do not exceed the payment limitations. Further, all direct and indirect payments made to producers using CIG funds must be reported to the NRCS CIG program manager in the semi-annual report. Direct or indirect payments cannot be made for a practice for which the producer has already received funds, or is contracted to receive funds, through any of the USDA Programs (EQIP, Conservation Security Program, Wildlife Habitat Incentives Program, etc.) since this would be considered a duplicate payment.

Payment Limitation Examples - Following are two examples of how the \$300,000 EQIP payment limitation applies to CIG projects:

- A \$75,000 CIG grant is awarded to a State environmental agency to demonstrate an innovative, market-based, water quality trading program. The money is used to finance the development of a market infrastructure, and none of the funds are used to implement structural, vegetative, or management practices. Producers in the trading market demonstration area may indirectly benefit from their eventual participation in the market, but there is no direct or indirect payment of CIG dollars. If, on the other hand, part of the CIG award were used to make payments to producers who implement a conservation practice on their land as part of a

- A \$75,000 CIG grant is awarded to a Conservation District to pilot a community-based animal waste treatment technology innovation. EQIP-eligible producers in the area transport their animal waste to a central treatment location. Because producers are not directly or indirectly receiving CIG funds, the payment limitation does not apply. If, however, the producers were paid for their waste, or for transporting their waste to the central treatment location, using CIG funds, the payments would be subject to each producer's EQIP payment limitation.

D. Project Eligibility

To be eligible, projects must involve landowners who meet the EQIP eligibility requirements of 16 U.S.C. 3839aa-1. Refer to <http://www.nrcs.usda.gov/programs/eqip/> for more information on EQIP and eligibility requirements. Further, all agricultural producers receiving direct or indirect payments through participation in a CIG project must meet the EQIP eligibility requirements. Participating producers are not required to have an EQIP contract. Applications must describe the extent of participation of EQIP-eligible producers.

A person or legal entity shall not be eligible to receive any benefit during a crop, fiscal, or program year, as appropriate, if the average adjusted gross non-farm income of the person or legal entity exceeds \$1,000,000 unless not less than 66.66 percent of the average adjusted gross income of the person or legal entity is average adjusted gross farm income.

A person who is determined ineligible for USDA program benefits under the Highly Erodible Land Compliance (HELC) and Wetland compliance (WC) provision of the Food Security Act of 1985 will not be eligible to receive direct or indirect payments through CIG.

Technologies and approaches that are eligible for funding in a project's geographic area through EQIP are ineligible for CIG funding except where the use of those technologies and approaches demonstrates clear innovation. The burden falls on the applicant to sufficiently describe the innovative features of the proposed technology or approach. Applicants should reference the appropriate State's EQIP Eligible Practices List by contacting the NRCS State office, or by visiting the EQIP web site:

<http://www.co.nrcs.usda.gov/programs/eqip/eqip.html>

The grantee is responsible for providing the technical assistance required to successfully implement and complete the project. NRCS will designate a Federal Grant Representative and a Technical Contact to provide technical oversight for each project receiving an award.

IV. APPLICATION AND SUBMISSION INFORMATION

A. How to Obtain Application Materials

All Office of Management and Budget standard forms necessary for CIG submission are posted on the following website:

www.grants.gov/agencies/aapproved_standard_forms.jsp. An application checklist is available on the CIG website: www.co.nrcs.usda.gov/programs/CIG/cig.htm

B. Application Content and Format

Applications must contain the information set forth below in order to receive consideration for a grant. Applicants should not assume prior knowledge on the part of NRCS or others as to the relative merits of the project described in the application.

Applicants are encouraged to submit electronic applications or must submit five copies of the application in the following format:

- Applications are to be typewritten on 8½" x 11" white paper, double spaced, and on one side only. The text of the application should be in a font no smaller than 12-point, with one-inch margins. If submitting applications for more than one project, submit a separate, complete application package for each project.

Applications must include all required forms and narrative sections described below; incomplete applications will not be considered.

- 1. Application Cover Sheet:** Applicants must use Standard Form 424 Applications for Federal Assistance as the cover sheet for each project application. Standard Form 424 can be downloaded from

www.grants.gov/agencies/aapproved_standard_forms.jsp

- 2. Project Summary Sheet:** Applicants must contain a summary of (no more than two pages in length) that includes the listed information. A template for the Project Summary Sheet is available on the Colorado NRCS CIG website:

<http://www.co.nrcs.usda.gov/programs/CIG/cig.htm>

- a. CIG Natural Resource Concerns;
- b. Project title;
- c. Project duration (beginning and ending dates);
- d. Name, address, telephone, e-mail, and other contact information for the project director (please provide a mailing address, not a P.O. Box);
- e. Names and affiliations of project collaborators;
- f. Estimated number of EQIP-eligible producers involved in the project;
- g. Technology or innovation to be addressed;
- h. List of deliverables/products of project activities;
- i. Summary of the work to be performed;
- j. Total project cost; and,
- k. Total Federal funds requested.

- 3. One-Page Abstract:** A one-page, single-sided, non-confidential technical summary that describes the work to be undertaken and the expected outcome and benefits. The technical summary should take into account the priorities and

evaluation factors described in this solicitation. Pages in excess of one-page limit will be discarded.

- 4. Project Description:** Each project must be completely and accurately described in no more than 10 typewritten, double-spaced pages, which must include the following:
- a.** Project narrative which clearly and concisely describes the proposed project and discusses the expected benefits. The project narrative should provide a clear description of the work to be undertaken and how it will be accomplished. The project narrative should detail the amount of money applied for and matching dollars provided.
 - b.** Project background: Describe the history of, and need for, the proposed innovation. Provide evidence that the proposed innovation has been studied sufficiently to indicate a good probability for success of the project;
 - c.** Project objectives: Be specific, using qualitative and quantitative measures to describe the project's purpose and goals. Describe how, based upon the description of innovative conservation projects and activities provided in section I.C., the project is innovative;
 - d.** Project methods: Describe clearly the methodology of the project and the tools or processes that will be used to implement the project;
 - e.** Location and size of project or project area: Describe the location of the project and the relative size and scope (e.g., acres, farm types and demographics, etc.) of the project area. Provide a map;
 - f.** Producer participation: Estimate the number of producers involved in the project, and describe the extent of their involvement (all producers involved in the project must be eligible for EQIP);
 - g.** Project action plan and timeline: Provide a table listing project actions, project deliverables associated with the budget, timeframes, and associated milestones through project completion;
 - h.** Project management: Give a detailed description of how the project will be organized and managed. Include a list of key project personnel, their relevant educations or experiences, and their anticipated contributions to the project. Explain the level of participation required in the project by government and non-government entities. Identify who will participate in monitoring and evaluating the project;
 - i.** Benefits or results expected and transferability: Identify the results and benefits to be derived from the proposed project activities. Identify project beneficiaries—for example, agricultural producers by type or region or sector; rural communities; municipalities. Explain how these entities will benefit. In addition, describe specifically how results will be documented and communicated to others via outreach activities;
 - j.** Project evaluation: Describe the methodology or procedures to be followed to evaluate the project, determine technical feasibility, and quantify the results of the project for the final report. Grant recipients will be required to provide a written biannual report of progress, quarterly financial reports, and a final project report to NRCS. All reports will discuss project deliverables and

- k. Environmental Information and Assessment of Environmental Impacts:**
Describe the anticipated environmental effects of the proposed project. The description of the potential environmental and social impacts must address all potential beneficial and adverse impacts of the proposed action. A description of the potential impacts to all environmental resources must be disclosed. Environmental resources include soil, water, air, plants, and animals, as well as other specific resources protected by law, Executive Order, and Agency policy. These resources are outlined in the NRCS Environmental Evaluation Worksheet, form NRCS-CPA-52, which is available at <http://www.co.nrcs.usda.gov/forms/index.html>. The CPA 52 form can be used as a guide for the scope of environmental information that should be prepared for this section of the application. In addition to describing impacts, applicants are required to assess the significance or degree of potential environmental impact of the proposed project on environmental resources. Applicants may consult with NRCS Environmental Liaison concerning the scope of what should be addressed in this section of the application. A list of the Environmental Liaisons can be found on the following website: <http://www.nrcs.usda.gov/technical/ECS/environment/liaison.doc>

Note: Please be aware that applications for projects with potentially adverse impacts may need to be modified in order to achieve acceptable and beneficial levels of environmental impact. If projects cannot be modified, then there is a potential during the screening process that the application may not be selected.

- 5. Budget Information:** Must use Standard Form (SF) 424A Budget Information Non-Construction Programs to document budget needs. SF 424A is available at www.grants.gov/agencies/aapproved_standard_forms.jsp.

The Cost Proposal must:

- a.** Itemize the costs necessary for successful completion of the proposed project. Indicate the total amount (both cash and in-kind) of non-Federal matching support that will be provided to the proposed project.
- b.** Provide a project budget and the applicant's request for a specific amount of Federal funds under this solicitation. The project's budget should show a summary of proposed cost for each task identified in the Technical Approach/Work Plan, as well as the matching or corresponding resources devoted to this project by the applicant, including each of the participating entities in a consortium engaged to carry out the project as proposed.
- c.** The project budget should include the following for the applicant and each participant:
 - i.** Position title, number of hours, and total cost for personnel proposed;
 - ii.** Total cost for travel;
 - iii.** Proposed equipment, supplies, or other major expenses over \$5,000
 - iv.** Total of all direct costs;
 - v.** Total of all indirect costs; and

vi. Summary of total project costs.

- 6. Budget Narrative:** In additions to the SF424A, all applicants must provide a detailed narrative (3 pages maximum, single-sided and double-spaced) in support of the budget for the project, broken down by each task (deliverables) and project year. Itemize the cost necessary for successful completion of the proposed project. Indicate the total amount (both cash and in-kind) of non-Federal matching support that will be provided to the proposed project. Identify and provide documentation of the source(s), the amount, and the nature (cash or in-kind) of the matching funds. An indirect cost-rate agreement must be included if the applicant is claiming indirect costs. Indirect costs can not exceed 15 percent. In-kind costs of equipment or project personnel cannot exceed 50 percent of the applicant's match (except in the case of projects carried out by either a Beginning or Limited Resource Farmer or Rancher, or Indian Tribe, or a community-based organization comprised of or representing these entities). The remainder of the match must be provided in cash.
- 7. Declaration of Beginning Farmer or Rancher, Socially Disadvantage Farmer or Rancher:** If an applicant wishes to compete in the 10 percent set-aside funding pool (see Part III B) that describes the provision of a set-aside pool of funding for beginning farmer or rancher, socially disadvantaged farmer or rancher and avail themselves of the in-kind contribution exception, applicants must make a declaration in writing of their status as a Beginning Farmer or Rancher, Socially Disadvantage Farmer or Rancher, or a community-based organization comprised of or representing these entities.
- 8. Declaration of EQIP Eligibility:** Applicants must include a statement indicating that the proposed project will involve EQIP-eligible producers. Applicants must make a declaration in writing that they, or parties involved in the project, are eligible for EQIP (if EQIP eligible producer are not involved, the application will be considered ineligible).
- 9. Certifications:** All applications must include a signed Standard Form (SF) 424B - Assurances, Non-construction Programs. SF 424B may be found at: www.grants.gov/agencies/aapproved_standard_forms.jsp. Applicants, by signing and submitting an application, assure and certify that they are in compliance with the following from 7 Code of Federal Register (CFR):

 - a. Part 3017, Government-wide Debarment and Suspension (Non-procurement)
 - b. Part 3018, New Restrictions on Lobbying; and
 - c. Part 3021, Government-wide Requirements for Drug-Free Workplace (Financial Assistance)
- 10. DUNS Number:** A Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number is a unique nine-digit sequence recognized as the universal standard for identifying and keeping track of over 70 million businesses

worldwide. A federal Register notice of final policy issuance (68 FR 38402) requires a DUNS number in every application (i.e., hard copy and electronic) for a grant or cooperative agreement (except applications from individuals) submitted on or after October 1, 2003. Therefore, potential applicants should verify that they have a DUNS number or take the steps needed to obtain one. For information about how to obtain a DUNS number go to

<http://www.grants.gov/RequestaDUNS> or call 1-866-705-5711. Please note that the registration may take up to 14 business days to complete.

- 11. Required CCR Registration:** The Central Contractor Registry (CCR) is a database that serves as the primary Government repository for contractor information required for the conduct of business with the Government. This database will also be used as a central location for maintaining organizational information for organizations seeking and receiving grants from the Government. CIG applicants must register with the CCR. To register, visit <http://www.ccr.gov>. Allow a minimum of 5 days to complete the CCR registration.

C. How to Submit an Application Electronically:

Applicants may submit applications electronically through Grants.gov, the Federal government's e-grants portal. Applications submitted through Grants.gov must contain all of the elements of a complete application outlined above. Instructions for electronically submitting the required standard forms, abstract, narrative, and declarations are included in the CIG Grants.gov notice. Applications submitted electronically are date-stamped and time-stamped by Grants.gov and must be received by the identified closing date. **Note that NRCS is not responsible for any technical malfunctions or website problems related to Grants.gov submissions. Applicants should begin the Grants.gov process well before the submission deadline to avoid problems.**

D. How to Submit a Written Application

Applicants must submit one signed original and **five** complete copies of each project application. Each copy of the application must be stapled securely in the upper left-hand corner. Hard copies must be accompanied by an electronic copy on a compact disc (CD). Electronic files must be either Microsoft Word or Acrobat (pdf) files. Application submitted via facsimile or e-mail will not be accepted.

Submit written Applications to:

Dollie Gonzales
Natural Resources Conservation Service
655 Parfet Street, Room E200C
Lakewood, CO 80215

E. Application Due Date

Applications must be received in the Colorado NRCS State Office by 4:30 p.m., Mountain Standard Time (MST) on May 18, 2009. An application postmark date is not a factor in whether an application is received on time. The applicant assumes the risk of any delays in application delivery. Applicants are strongly encouraged to submit completed applications via overnight mail or delivery service to ensure timely receipt by NRCS.

F. Acknowledgement of Submission

Applications received by the due date will be acknowledged with an official letter. If an applicant has not received an acknowledgment within 60 days of the submission, the applicant must contact the administrative contact (see “Agency Contacts” below) immediately. Failure to do so may result in the application not being considered for funding by the peer review panel.

G. Funding Restrictions

The indirect costs (F&A) for CIG awards may not exceed 15 percent of the total Federal funds provided under each award. Awardees may not use unrecovered indirect costs as part of their matching funds.

CIG funds may not be used to pay any of the following costs unless otherwise permitted by law, or approved in writing by the Authorized Departmental Officer in advance of incurring such costs:

- a.** Costs above the amount of funds authorized for the project;
- b.** Costs incurred prior to the effective date of the grant;
- c.** Costs which lie outside the scope of the approved project and any amendments thereto;
- d.** Entertainment costs, regardless of their apparent relationship to project objectives;
- e.** Compensation for injuries to persons, or damage to property arising out of project activities;
- f.** Consulting services performed by a Federal employee during official duty hours when such consulting services result in the payment of additional compensation to the employee; and,
- g.** Renovation or refurbishment of research or related spaces; the purchase or installation of fixed equipment in such spaces; and the planning, repair, rehabilitation, acquisition, or construction of buildings or facilities.

This list is not exhaustive. Questions regarding the allowances of particular items of cost should be directed to the administrative contact person listed below.

H. Patents and Inventions

Allocation of rights to patents and inventions shall be in accordance with USDA regulation 7 CFR 3019.36. This regulation provides that small businesses normally may retain the principal worldwide patent rights to any invention developed with USDA support. In accordance with 7 CFR 3019.2, this provision will also apply to commercial organizations for the purposes of CIG. USDA receives a royalty-free license for Federal Government use, reserves the right to require the patentee to license others in certain circumstances, and requires that anyone exclusively licensed to sell the invention in the United States must normally manufacture it domestically.

I. Environmental Review Requirements

The National Environmental Policy Act (NEPA) and NRCS regulations that implement NEPA require that an environmental review be prepared for actions where the Agency has discretion and control. Accordingly, NRCS’ financial assistance under the CIG program requires compliance with these regulations. As part of the application packet,

applicants are required to provide environmental information pertaining to their project (described further under Part IV B.4.k) to help NRCS determine the appropriate documentation required to comply with NEPA and NRCS regulations. If the application is selected, the NRCS Program Contact and the NRCS Environmental Liaison will coordinate with the selected applicant concerning documentation for compliance with NEPA. The selected applicant will be required to prepare and/or pay for the preparation of the appropriate NEPA document (e.g., Environmental Assessment and/or Environmental Impact Statement if required for NEPA compliance). Grant funding cannot be approved until the environmental review requirements demonstrating compliance with NEPA are met.

J. Withdrawal of Applications

Application may be withdrawn by written notice at any time before an award is made. Applications may be withdrawn by the applicant, or by an authorized representative thereof, if the representative's identity is made known and the representative signs a receipt for the application.

K. Deliverables

Applications must include the following activities as deliverables:

- a. Semi-annual reports;
- b. Quarterly financial reports;
- c. Supplemental narratives to explain and support payment requests;
- d. Final report;
- e. Performance items specific to the project that indicate progress;
- f. New technology and innovative approach fact sheet; and
- g. Attend at least one NRCS CIG Showcase, State Technical Committee Meeting or comparable NRCS event during the period of the grant.

V. APPLICATION REVIEW

A. Application Review and Selection Process

Prior to technical review, each application will be screened for completeness and compliance with the provisions of this notice. Incomplete applications and those that do not meet the provisions of this notice will be eliminated from competition, and notification of elimination will be mailed to the applicant.

Applications meeting the provisions of this notice will be scored by a Peer Review Panel against the Criteria for Proposal Evaluation listed above. Scored applications will be forwarded to the Assistant State Conservationist for Programs, which will certify the rankings from the peer review panels, and ensure that the Application evaluations are consistent with program objectives. The State Conservationist will make the final selections and funding decisions.

B. Criteria for Application Evaluation

Peer review panels will use the following criteria to evaluate project applications.

1. Purpose and goals:

- a. The purpose and goals are clearly stated;
 - b. The project adheres to the natural resource conservation concerns for FY 2009 stated in this notice; and,
 - c. There is clear and significant potential for a positive and measurable outcome.
2. Soundness of approach or design:
- a. The project adheres to the description of innovative projects or activities found in section I.C. of this notice;
 - b. Technical design and implementation strategy is based on sound science;
 - c. There is a good likelihood of project success;
 - d. The project substantively involves EQIP eligible producers; and,
 - e. The project promotes environmental enhancement and protection in conjunction with agricultural production.
3. Project management:
- a. Milestones and timelines are clear and reasonable
 - b. Project staff has the technical expertise needed
 - c. Percentage that project leverages non-Federal matching funds above the required 50 percent (degree to which non-Federal matching funds are leveraged); and
 - d. The budget is reasonable and adequately justified.
4. Transferability:
- a. There is great potential to transfer the approach or technology Statewide or socio-economic areas; and
 - b. The project will result in the development of technical or related materials (e.g., technical standards, technical notes, manuals, handbooks, software) that will help foster adoption of the innovative technology or approach by other producers, and in other geographic areas.

C. Anticipated Announcement and Award Dates

CIG awards are anticipated to be announced by on or about July 1, 2009. Funds are not awarded, and work may not start, until an agreement is signed by both NRCS and the grantee.

VI. AWARD INFORMATION

A. Award Notification

Applicants who have been selected will be notified by the State Conservationist. Applications which are not selected will be notified by official letter.

B. Grant Agreement

The CCC, through NRCS, will use a grant agreement with selected applicants to document participation in the CIG component of EQIP. The grant agreement will include:

- Project purpose;
- Project objectives and deliverables;
- Project progress and budget reporting requirements;

- Award amount and budget information;
- Information regarding requests for advance of funds or reimbursement;
- Other requirements and terms deemed necessary by the CCC to protect the interests of the United States.

Neither the approval of any application nor the award of any grant agreement commits or obligates the United States to provide further support of a project or any portion thereof or implies any endorsement.

C. Reporting Requirements

Grantees receiving Federal funds of more than \$25,000 are required to submit a SF-272 (Report of Federal Cash Transactions), and when necessary, the continuation sheet, SF-272-A, no later than 15 days following the end of each quarter or 90 days after project completion. These reports are used to monitor cash advanced to recipients and to obtain disbursement and outlay information for each award.

Grantees must submit a Financial Status Report (SF 269) no later than 30 days after the end of each quarter and 90 days after completion of project. The SF-272 and SF-269 are available at <http://www.nrcs.usda.gov/programs/cig/InfoForGrantees.html>

In addition, every six months the grantee must submit a written performance progress report to the Colorado NRCS State Office. This report is distinct from the quarterly financial report described above. Each progress report shall cover work performed during the previous 6-month period, including any funded or unfunded time extensions, a comparison of actual accomplishments to project goals, and a statement of work projected to be completed in the next 6-month period. A progress report template can be provided to grantees by NRCS upon request. To satisfy the requirements of EQIP (7 CFR 1466) compliance measures, the grantee is required to submit as a component of the biannual progress report:

1. A list of producers, identified by name and social security number, of all EQIP-eligible producers or entities involved in the project.
2. The dollar amount of direct and indirect payment made to each individual producer or entity for any structural, vegetative, or management practices. Both quarterly and cumulative payment amounts must be submitted.
3. A self-certification indicating that each individual or entity receiving a direct or indirect payment through this grant is in compliance with the EQIP Payment Limitation, AGI, HEL, and Wetlands Conservation Compliance Farm Bill provisions.

NRCS will designate a Federal Grant Representative (FGR) and a Technical Contact for the project. These individuals will have technical oversight responsibility for the project. The grantee must send copies of each biannual progress report to the FGR and technical contact, and comply with any requests for information from these individuals. NRCS recommends that the grantee work closely with these subject matter experts throughout the course of the project.

Upon passage of the completion date of the project, a final report must be submitted within 90 days detailing project activities, funding received and expended results, and potential for transferability of results.

VII. CIG CONTACTS

For programmatic questions (e.g., natural resource concerns), please contact:

Tim Carney, Assistant State Conservationist - Programs

Natural Resources Conservation Service

655 Parfet Street, Room E200C

Lakewood, CO 80215

Phone: (720) 544-2805

tim.carney@co.usda.gov

Additional information about CIG, including fact sheets and FAQs, is available on the Colorado NRCS webpage:

www.nrcs.co.usda.gov

Allen Green

State Conservationist

Colorado Natural Resources Conservation Service

VIII. OTHER INFORMATION

Important: Applications Missing Any of These Required Items Will Not Be Considered

COLORADO CONSERVATION INNOVATION GRANTS Fiscal year 2009 Application Package Check List

- ☐ **1. Application Cover Sheet:** Complete Standard Form 424 (SF-424)
Application for Federal Assistance
- ☐ **2. Project Summary Sheet:** (Template Available)
 - a. CIG Natural Resource Concerns
 - b. Project title
 - c. Project duration (beginning and ending dates)
 - d. Name, address, telephone, e-mail, and other contact information for the project director
 - e. Names and affiliations of project collaborators
 - f. Estimated number of EQIP-eligible producers involved in the project
 - g. Technology or innovation to be addressed
 - h. List of deliverables/products of project activities
 - i. Summary of the work to be performed
 - j. Total project cost;
 - k. Total Federal funds requested.
- ☐ **3. One-Page Abstract:** (non-confidential summary describing the project and expected outcomes and benefits)
- ☐ **4. Project Description** (10 pages maximum, double spaced, single sided, 12 point font)
 - a. Project narrative
 - b. Project background

- c. Project objectives
- d. Project methods
- e. Location and size of project area (include a map if possible)
- f. Producer participation
- g. Project action plan and timeline
- h. Project Management
- i. Benefits or results expected and transferability
- j. Project evaluation
- k. Environmental information and assessment of environmental impacts

- ☐ **5. Budget Information:** Submit a completed Standard Form 424A (SF-424A) Budget Information Non-Construction Programs.
- ☐ **6. Budget Narrative:** Submit a detailed budget narrative (maximum of 3 pages)
- ☐ **7. Declaration of Beginning Farmer or Rancher, Socially Disadvantaged Farmer or Rancher (Special Provisions):** If applicable, include a statement declaring your status as Beginning Farmer or Rancher, Socially Disadvantaged Farmer or Rancher, or Community-base organization representing these entities.
- ☐ **8. Declaration Environmental Quality Incentives Program (EQIP) Eligibility:** Include a statement indicating that the proposed project will involve EQIP-eligible producers. Applicants must make a declaration in writing that they, or parties involved in the project, are eligible for EQIP. (If EQIP eligible producers are not involved, the proposal will be considered ineligible.)
- ☐ **9. Certifications:** Complete Standard Form 424B (SF-424B) Assurances-Non-Constructions Programs.
- ☐ **10. DUNS Number:** For information about how to obtain a DUNS number go to www.grant.gov/RequestaDUNS or call 1-866-705-5711. Registration may take up to 14 business days to complete.
- ☐ **11. Required central Contractor Registration CCR Registration:** Visit www.ccr.gov

**COLORADO
CONSERVATION INNOVATION GRANTS
Project Summary Sheet**

CIG Natural Resource Concern (select all that apply)

- | | |
|---|--|
| <input type="checkbox"/> Water Resources | <input type="checkbox"/> Forest Health |
| <input type="checkbox"/> Soil Resources | <input type="checkbox"/> Energy Conservation &
Renewable Energy |
| <input type="checkbox"/> Atmospheric Resource | <input type="checkbox"/> Wildlife Habitat |
| <input type="checkbox"/> Grazing Land | |

Project Title:

Project Start and End Dates:

Project Director

Contact Information:

E-Mail:

Project Collaborators:

**Declaration of Environmental Quality Incentives Program (EQIP)
Eligibility**

1) The applicant has read and understands the responsibilities related to EQIP eligibility and payment limitations as outlined in Part III of this announcement. (Check One)

☐ Yes

☐ No

2) The applicant and any producers that will receive direct or indirect payments through this project are eligible to participate in the EQIP program?

☐ Yes

☐ No

3) The applicant is requesting federal funds from other sources for the same or similar projects?

☐ Yes

☐ No

Project Technology / Innovation:

Project Deliverables:

Total Cost of Project: \$

Total Funds Requested: \$

Brief Project Summary: